

Exhibit 27

Rule 30(b)(6) Deposition of Drew Goldman
on behalf of Deutsche Bank
(April 28, 2017) (excerpted)

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

CUNG LE; NATHAN QUARRY, JON)
FITCH, on behalf of)
themselves and all others)
similarly situated,)

Plaintiffs,)

vs.)

Case No.
2:15-cv-01045-RFB-(PAL)

ZUFFA, LLC, d/b/a Ultimate)
Fighting Championship and)
UFC,)

Defendant.)
_____)

VIDEOTAPED DEPOSITION DREW GOLDMAN

New York, New York

April 28, 2017

9:39 a.m.

Reported by:

ERICA L. RUGGIERI, RPR, CSR, CLR
JOB NO. 50057

<p>54</p> <p>1 GOLDMAN</p> <p>2 its trademarked octagon; two, high</p> <p>3 quality productions that include</p> <p>4 well-known and dynamic announcers;</p> <p>5 three, the majority of the top</p> <p>6 fighters in the world; four, action</p> <p>7 packed live show unrivaled in combat</p> <p>8 sports today."</p> <p>9 Q. Did Zuffa tell Deutsche</p> <p>10 Bank that its high quality</p> <p>11 productions make the UFC</p> <p>12 distinguishable from other MMA</p> <p>13 promoters?</p> <p>14 A. They would have.</p> <p>15 Q. Did Zuffa tell Deutsche</p> <p>16 Bank that the UFC having the</p> <p>17 majority of top fighters in the</p> <p>18 world made its brand distinguishable</p> <p>19 from other MMA promoters?</p> <p>20 A. Once again, there was no</p> <p>21 way to really know whether they had</p> <p>22 the majority of the top fighters in</p> <p>23 the world.</p> <p>24 Q. My question was did Zuffa</p> <p>25 tell Deutsche Bank that the UFC had</p>	<p>56</p> <p>1 GOLDMAN</p> <p>2 world's top fighters under one</p> <p>3 umbrella and allow the company to</p> <p>4 further develop relationships to</p> <p>5 penetrate its brand in Asia."</p> <p>6 Q. What is the source of that</p> <p>7 statement?</p> <p>8 A. That would have been a, you</p> <p>9 know, a sentence created by Deutsche</p> <p>10 Bank based on our discussions with</p> <p>11 the company on their PRIDE</p> <p>12 acquisition.</p> <p>13 Q. So did Zuffa tell Deutsche</p> <p>14 Bank that its acquisition of PRIDE</p> <p>15 consolidated the majority of the</p> <p>16 world's top fighters under its</p> <p>17 control?</p> <p>18 A. No. I would assume, once</p> <p>19 again, that that was marketing for a</p> <p>20 marketing document and that this was</p> <p>21 actually the entrance for the</p> <p>22 company into the Japanese market.</p> <p>23 Q. So is it the bank's</p> <p>24 testimony that the acquisition of</p> <p>25 PRIDE did not seek to acquire the</p>
<p>55</p> <p>1 GOLDMAN</p> <p>2 the majority of top fighters in the</p> <p>3 world that made its brand</p> <p>4 distinguishable from other MMA</p> <p>5 promoters?</p> <p>6 A. I can't tell you whether</p> <p>7 they said that to us or whether we</p> <p>8 came up with that marketing but they</p> <p>9 certainly didn't tell us that it was</p> <p>10 inaccurate, just to skip ahead one</p> <p>11 question for you.</p> <p>12 Q. But Zuffa was provided with</p> <p>13 a draft of this document containing</p> <p>14 that statement?</p> <p>15 A. And they did not tell us it</p> <p>16 was inaccurate. Yes, I'm</p> <p>17 stipulating to that for you.</p> <p>18 Q. Can you read the last</p> <p>19 sentence of the next paragraph</p> <p>20 beginning with "The company's recent</p> <p>21 acquisition"?</p> <p>22 A. "The company's recent</p> <p>23 acquisition of PRIDE Fighting</p> <p>24 Championships will further</p> <p>25 consolidate the vast majority of the</p>	<p>57</p> <p>1 GOLDMAN</p> <p>2 rights to Pride's fighters?</p> <p>3 A. No, that wasn't what I was</p> <p>4 saying. You asked whether it would</p> <p>5 further consolidate the vast</p> <p>6 majority of the world's top fighters</p> <p>7 I believe, and, once again, I'm</p> <p>8 saying that that is more marketing</p> <p>9 spin because there's no way for us</p> <p>10 to know in the world of all MMA</p> <p>11 fighters whether they had the vast</p> <p>12 majority.</p> <p>13 Q. But did Zuffa tell Deutsche</p> <p>14 Bank that it did?</p> <p>15 A. Unless you can produce a</p> <p>16 piece of written paper that shows me</p> <p>17 that they handwrote that themselves,</p> <p>18 it is most likely Deutsche Bank</p> <p>19 having written it after, because we</p> <p>20 wrote most of the book, after having</p> <p>21 due diligence conversations with the</p> <p>22 company and after they produced</p> <p>23 materials.</p> <p>24 Q. So is it your testimony</p> <p>25 that in those conversations Zuffa</p>

15 (Pages 54 to 57)

<p>58</p> <p>1 GOLDMAN</p> <p>2 did not tell Deutsche Bank that its</p> <p>3 acquisition of PRIDE further</p> <p>4 consolidated the vast majority of</p> <p>5 the world's top fighters under</p> <p>6 Zuffa's control?</p> <p>7 A. I can't tell you one way or</p> <p>8 the other, I'm just telling you</p> <p>9 Deutsche Bank would have written</p> <p>10 this document and that a lot of the</p> <p>11 words chosen in the document would</p> <p>12 be Deutsche Bank marketing words.</p> <p>13 Q. If you can go to the next</p> <p>14 page titled High Barriers to Entry.</p> <p>15 In the fourth paragraph can you read</p> <p>16 the first sentence?</p> <p>17 A. "In order for a competing</p> <p>18 MMA organization to generate</p> <p>19 revenues comparable to the UFC, the</p> <p>20 organization must be willing to</p> <p>21 invest significant capital in order</p> <p>22 to build the distribution network</p> <p>23 required to promote and broadcast</p> <p>24 major events as well as create or</p> <p>25 acquire sufficient content to</p>	<p>60</p> <p>1 GOLDMAN</p> <p>2 but a couple of things. The</p> <p>3 internal documents are very close</p> <p>4 to the external documents, right?</p> <p>5 They are read by an audience that</p> <p>6 understands that. So when Drew</p> <p>7 says like market or spin or what</p> <p>8 have you, it's just that these are</p> <p>9 all documents internal or external</p> <p>10 that are geared toward selling to</p> <p>11 lenders a credit.</p> <p>12 And secondly, in terms of</p> <p>13 what appears here, subject to</p> <p>14 Zuffa's objection, I'm confident</p> <p>15 that somebody responsible for Zuffa</p> <p>16 reads these documents and has</p> <p>17 not -- unless you -- Drew says that</p> <p>18 somebody objected and he remembers</p> <p>19 somebody objecting and somebody at</p> <p>20 Deutsche Bank like Drew overcoming</p> <p>21 the objection and saying we are</p> <p>22 going to have it our way, that this</p> <p>23 is a cooperative effort to draft</p> <p>24 these documents.</p> <p>25 I understand that you may want</p>
<p>59</p> <p>1 GOLDMAN</p> <p>2 effectively market such events."</p> <p>3 Q. What is the source of that</p> <p>4 information?</p> <p>5 A. Would have been a</p> <p>6 combination of discussions with the</p> <p>7 company and materials that they had</p> <p>8 provided us, as well as our own</p> <p>9 interpretation.</p> <p>10 Q. Did Zuffa tell Deutsche</p> <p>11 Bank that to generate revenues</p> <p>12 comparable to the UFC a potential</p> <p>13 competitor would need to invest</p> <p>14 significant capital in order to</p> <p>15 build the distribution network</p> <p>16 required to promote and distribute</p> <p>17 major MMA events?</p> <p>18 A. I can't tell you that they</p> <p>19 spoon fed us those exact words but,</p> <p>20 once again, the due diligence</p> <p>21 materials that we received,</p> <p>22 conversations with them and our own</p> <p>23 interpretation may have led to that.</p> <p>24 MR. TOMBACK: I don't know if</p> <p>25 we can short-circuit this at all</p>	<p>61</p> <p>1 GOLDMAN</p> <p>2 to get beyond the handwritten</p> <p>3 changes who wrote what but it's not</p> <p>4 a question of Drew or the 30(b)(6)</p> <p>5 witness not knowing that or not</p> <p>6 wanting to tell you that. It's</p> <p>7 just that without draft, you know,</p> <p>8 track changes and so forth, I don't</p> <p>9 think that's possible. So I just</p> <p>10 want to -- you know, you got seven</p> <p>11 hours, hopefully you won't use them</p> <p>12 all, but I don't want us to get too</p> <p>13 bogged down on this. Drew is going</p> <p>14 to give you the same answer on</p> <p>15 every single one of those.</p> <p>16 Q. And that may be the way it</p> <p>17 has to go.</p> <p>18 A. And I'm here for you for</p> <p>19 seven hours. I hope I don't eat any</p> <p>20 more chocolate chip muffins though.</p> <p>21 Q. Can you read the next</p> <p>22 sentence for me?</p> <p>23 A. "Substantial capital would</p> <p>24 also be required for a competing</p> <p>25 organization to attract the talent</p>

<p>62</p> <p>1 GOLDMAN</p> <p>2 necessary to stage a successful</p> <p>3 event while good matchmaking from a</p> <p>4 deep roster of talented fighters</p> <p>5 under contract is essential."</p> <p>6 Q. Does that reflect the</p> <p>7 contents of Deutsche Bank's</p> <p>8 conversations with Zuffa over what</p> <p>9 is required for a competing</p> <p>10 organization to attract the talent</p> <p>11 necessary to stage a successful</p> <p>12 event?</p> <p>13 A. That would have been --</p> <p>14 that sentence would have been</p> <p>15 derived from conversations with the</p> <p>16 company, materials that they had</p> <p>17 sent us and our own interpretation</p> <p>18 of the before two items.</p> <p>19 Q. Was Zuffa provided with a</p> <p>20 draft of this document containing</p> <p>21 that sentence prior to publishing it</p> <p>22 to lenders?</p> <p>23 A. I will stipulate that they</p> <p>24 were provided every single sentence</p> <p>25 in this document before it was</p>	<p>64</p> <p>1 GOLDMAN</p> <p>2 UFC level production."</p> <p>3 Q. Does that summarize the</p> <p>4 contents of Deutsche Bank's</p> <p>5 conversations with Zuffa on that</p> <p>6 subject?</p> <p>7 A. That sentence would have</p> <p>8 been a combination, once again, of</p> <p>9 materials we had have received,</p> <p>10 discussions with the company and our</p> <p>11 own interpretation of both.</p> <p>12 Q. Can you read the next</p> <p>13 sentence?</p> <p>14 A. "Even if one assumes there</p> <p>15 was market demand for an MMA</p> <p>16 promoter equal to the UFC in the</p> <p>17 United States, management believes</p> <p>18 that its current distribution model</p> <p>19 existing fan base, long-term fighter</p> <p>20 agreements and 14-year brand</p> <p>21 building head start effectively</p> <p>22 locks up the top position within MMA</p> <p>23 for decades to come."</p> <p>24 Q. Did Zuffa tell Deutsche</p> <p>25 Bank that its current distribution</p>
<p>63</p> <p>1 GOLDMAN</p> <p>2 provided to lenders.</p> <p>3 Q. Did Zuffa tell Deutsche</p> <p>4 Bank that that content was</p> <p>5 inaccurate?</p> <p>6 A. They did not tell me</p> <p>7 anything was inaccurate when we got</p> <p>8 to a final version of the document.</p> <p>9 In intervening documents they may</p> <p>10 have provided comments and I would</p> <p>11 assume that all those comments were</p> <p>12 made but it's certainly possible</p> <p>13 that something slipped.</p> <p>14 Q. Could you read the next</p> <p>15 sentence or, excuse me, can you read</p> <p>16 the first sentence of the last</p> <p>17 paragraph on the page?</p> <p>18 A. "In summary, to effectively</p> <p>19 compete with the UFC a competitor</p> <p>20 would need proper infrastructure,</p> <p>21 substantial content to market</p> <p>22 upcoming fights, effective</p> <p>23 television distribution, a deep</p> <p>24 lineup of marquis fighters, adequate</p> <p>25 resources to satisfy the cost of a</p>	<p>65</p> <p>1 GOLDMAN</p> <p>2 model existing fan base long-term</p> <p>3 fighter agreements and 14-year brand</p> <p>4 building head start effectively</p> <p>5 locked up the top position within</p> <p>6 MMA for decades to come?</p> <p>7 A. It says management</p> <p>8 believes. So on that I would say</p> <p>9 yes. But, once again, Deutsche Bank</p> <p>10 may have been involved in</p> <p>11 interpreting the text and actually</p> <p>12 writing it like this.</p> <p>13 Q. But Zuffa did not correct</p> <p>14 it?</p> <p>15 A. Once again, nothing here</p> <p>16 was made to be known to us that it</p> <p>17 was inaccurate after the document</p> <p>18 was finalized.</p> <p>19 Q. Can you turn to the page</p> <p>20 ending 6750?</p> <p>21 A. Yes.</p> <p>22 Q. Do you see toward the</p> <p>23 bottom of the page where it says,</p> <p>24 "The company has solidified"?</p> <p>25 A. Yes.</p>

<p>66</p> <p>1 GOLDMAN</p> <p>2 Q. Can you read those two</p> <p>3 sentences?</p> <p>4 A. "The company has solidified</p> <p>5 itself as the premier venue for MMA</p> <p>6 in the world. Through its continued</p> <p>7 success UFC is able to positively</p> <p>8 position itself against competing</p> <p>9 MMA organizations due to its unique</p> <p>10 ability to."</p> <p>11 Would you like me to read the</p> <p>12 bullets or no?</p> <p>13 Q. Can you read the last</p> <p>14 bullet?</p> <p>15 A. "Maintain high barriers to</p> <p>16 entry."</p> <p>17 Q. What is the source of that</p> <p>18 statement?</p> <p>19 A. While maintaining high</p> <p>20 barriers to entry is a very common</p> <p>21 phrase that we use in many books</p> <p>22 like this across many different</p> <p>23 industries. So if anyone has some</p> <p>24 type of competitive advantage we</p> <p>25 like to say that they have high</p>	<p>68</p> <p>1 GOLDMAN</p> <p>2 just that it has it. So I'm trying</p> <p>3 to get clarity as to what the unique</p> <p>4 ability to maintain high barriers to</p> <p>5 entry means.</p> <p>6 A. Once again, unique</p> <p>7 barriers, unique ability to maintain</p> <p>8 its high barriers to entry, it's a</p> <p>9 very common marketing phrase that</p> <p>10 you'll see in a lot of documents</p> <p>11 like this. Even in some companies</p> <p>12 that work in commodity type</p> <p>13 businesses someone will still have</p> <p>14 something that they can claim gives</p> <p>15 them a high barrier to entry.</p> <p>16 MR. TOMBACK: Can we take a</p> <p>17 very short, a real three-minute</p> <p>18 break, just a four-minute break?</p> <p>19 MR. MADDEN: Yes.</p> <p>20 THE VIDEOGRAPHER: The time is</p> <p>21 10:39 a.m. and we are off the</p> <p>22 record.</p> <p>23 (Whereupon, there is a recess</p> <p>24 in the proceedings.)</p> <p>25 THE VIDEOGRAPHER: The time is</p>
<p>67</p> <p>1 GOLDMAN</p> <p>2 barriers to entry.</p> <p>3 Q. Did Zuffa have a</p> <p>4 competitive advantage that yielded</p> <p>5 high barriers to entry?</p> <p>6 A. Almost every company that</p> <p>7 we work with has enough working for</p> <p>8 it that we can say that there are</p> <p>9 high barriers to entry.</p> <p>10 Q. What did Zuffa do to</p> <p>11 maintain high barriers to entry?</p> <p>12 A. They operated their</p> <p>13 business. They did so successfully.</p> <p>14 Q. How does that maintain high</p> <p>15 barriers to entry?</p> <p>16 A. Once again, it's a very</p> <p>17 common phrase that we use for gaming</p> <p>18 companies, we use for hotel</p> <p>19 companies, we can always find a way</p> <p>20 for a company to have high barriers</p> <p>21 to entry. Almost -- not exclusively</p> <p>22 we can find some way.</p> <p>23 Q. But this sentence says that</p> <p>24 Zuffa has a unique ability to</p> <p>25 maintain high barriers to entry, not</p>	<p>69</p> <p>1 GOLDMAN</p> <p>2 10:44 a.m. and we are back on the</p> <p>3 record.</p> <p>4 Q. Just to close out our</p> <p>5 discussion about high barriers to</p> <p>6 entry in 6750, this document, as we</p> <p>7 went over a couple minutes ago, has</p> <p>8 specific ideas that are referred to</p> <p>9 as high barriers to entry. Is that</p> <p>10 what this phrase "high barriers to</p> <p>11 entry" refers to?</p> <p>12 A. I mean I -- we will need to</p> <p>13 see as we go through the document</p> <p>14 but I would think so.</p> <p>15 Q. It was before what we went</p> <p>16 through?</p> <p>17 A. Then yes. Then would then</p> <p>18 refer back to that.</p> <p>19 Q. Turn the page to the</p> <p>20 business strategy page ending 6751.</p> <p>21 About halfway down the page there's</p> <p>22 a section titled Talent Recruitment</p> <p>23 and Development.</p> <p>24 A. Um-hmm.</p> <p>25 Q. Can you read the first two</p>

18 (Pages 66 to 69)

<p>70</p> <p>1 GOLDMAN</p> <p>2 sentences?</p> <p>3 A. "As the preeminent" -- "As</p> <p>4 the preeminent MMA brand in the</p> <p>5 industry UFC believes that it</p> <p>6 attracts the best MMA athletes. The</p> <p>7 company has over 170 athletes under</p> <p>8 contract, excluding PRIDE,</p> <p>9 continually seeks to add to the best</p> <p>10 MMA fighters to its franchise from</p> <p>11 both internal search efforts and</p> <p>12 from competing organizations."</p> <p>13 Q. Did Zuffa tell Deutsche</p> <p>14 Bank that it continually seeks to</p> <p>15 add the best MMA fighters from</p> <p>16 competing organizations?</p> <p>17 A. Yes.</p> <p>18 Q. If you will skip a sentence</p> <p>19 and read where it says "UFC</p> <p>20 athlete."</p> <p>21 A. "UFC athlete contracts are</p> <p>22 designed to retain talent within the</p> <p>23 company."</p> <p>24 Q. What does that mean?</p> <p>25 A. Anyone who signs a</p>	<p>72</p> <p>1 GOLDMAN</p> <p>2 talent within the company?</p> <p>3 A. Yes.</p> <p>4 Q. And then can you read the</p> <p>5 sentence, it's another sentence</p> <p>6 later, "Furthermore"?</p> <p>7 A. "Furthermore, the UFC</p> <p>8 typically has the right to retain</p> <p>9 athletes who hold a championship</p> <p>10 title in any weight class at the</p> <p>11 expiration of their contract for one</p> <p>12 additional year thereby ensuring the</p> <p>13 company continues to benefit from</p> <p>14 such a fighter's potential</p> <p>15 popularity through additional</p> <p>16 promotions and events."</p> <p>17 Q. Did Zuffa tell Deutsche</p> <p>18 Bank that that clause, the ability</p> <p>19 to retain champions for an</p> <p>20 additional year after their contract</p> <p>21 expires was part of how the</p> <p>22 contracts were designed to retain</p> <p>23 talent with the company?</p> <p>24 A. Yes.</p> <p>25 Q. Turning to the next page.</p>
<p>71</p> <p>1 GOLDMAN</p> <p>2 contract, you know, obviously has</p> <p>3 obligations to stay within a</p> <p>4 company. So like any organization</p> <p>5 they look for, you know, best</p> <p>6 performers and they sign those to</p> <p>7 contracts.</p> <p>8 Q. Can you read the next</p> <p>9 sentence?</p> <p>10 A. "Most contracts are one to</p> <p>11 two years in length with an</p> <p>12 exclusivity clause that prevents</p> <p>13 fighters from moving to different</p> <p>14 MMA organizations while under</p> <p>15 contract and with negotiation and</p> <p>16 matching rights after the agreement</p> <p>17 expires."</p> <p>18 Q. Did Zuffa tell Deutsche</p> <p>19 Bank that the exclusivity clause</p> <p>20 that prevents fighters from moving</p> <p>21 to different MMA organizations while</p> <p>22 under contract and with negotiation</p> <p>23 and matching rights after the</p> <p>24 agreement expires is part of how the</p> <p>25 contracts are designed to retain</p>	<p>73</p> <p>1 GOLDMAN</p> <p>2 Can you read the sentence that</p> <p>3 begins "Recently"?</p> <p>4 A. "Recently Zuffa has</p> <p>5 acquired the assets of several</p> <p>6 competing MMA brands including</p> <p>7 PRIDE, WEC and WFA."</p> <p>8 Q. Can you read the sentence</p> <p>9 after that?</p> <p>10 A. "Each acquisition had</p> <p>11 unique offensive and defensive</p> <p>12 purposes at the time. However, both</p> <p>13 the WFA and PRIDE pending</p> <p>14 transactions resulted in Zuffa's</p> <p>15 roster of elite fighters expanding</p> <p>16 significantly."</p> <p>17 Q. Did Zuffa tell Deutsche</p> <p>18 Bank that the acquisition of the WFA</p> <p>19 and PRIDE resulted in its roster of</p> <p>20 elite fighters expanding</p> <p>21 significantly?</p> <p>22 A. I think, once again, it</p> <p>23 would have been in combination of</p> <p>24 discussions with the company,</p> <p>25 materials that they provided and our</p>

<p style="text-align: right;">74</p> <p>1 GOLDMAN</p> <p>2 own interpretation.</p> <p>3 Are we done with this one?</p> <p>4 Q. Yes. You can put that</p> <p>5 aside.</p> <p>6 A. Make a pile for you.</p> <p>7 Q. You are going to be handed</p> <p>8 what's getting marked as Exhibits 4</p> <p>9 and 5.</p> <p>10 (Exhibit 4, E-mail, Bates DB</p> <p>11 Zuffa 00033564, marked for</p> <p>12 identification, as of this date.)</p> <p>13 (Exhibit 5, Attachment to</p> <p>14 Exhibit 4, Bates DB Zuffa 00033565</p> <p>15 to 00033574, marked for</p> <p>16 identification, as of this date.)</p> <p>17 MR. TOMBACK: 64 is 4?</p> <p>18 Q. You've been handed what's</p> <p>19 been marked Exhibits 4 and 5.</p> <p>20 Exhibit 4 is a one-page e-mail DB</p> <p>21 Zuffa 00033564. Exhibit 5 is the</p> <p>22 attachment to Exhibit 4 and it's DB</p> <p>23 Zuffa 00033565 to DB Zuffa 00033574.</p> <p>24 Exhibit 4 is an e-mail from</p> <p>25 John Mulkey to Amish Barot dated</p>	<p style="text-align: right;">76</p> <p>1 GOLDMAN</p> <p>2 sentence that says the UFC and</p> <p>3 PRIDE. Can you read that?</p> <p>4 A. "The UFC and PRIDE brands</p> <p>5 are the top two MMA promoters in the</p> <p>6 world by any metric and management</p> <p>7 believes that the WEC will be the</p> <p>8 third by 2008."</p> <p>9 Q. Is it your understanding</p> <p>10 that that sentence is an edit</p> <p>11 provided or is a statement by Zuffa</p> <p>12 provided to Deutsche Bank?</p> <p>13 A. Yes.</p> <p>14 Q. You can put those aside.</p> <p>15 (Exhibit 6, E-mail, Bates DB</p> <p>16 Zuffa 00028782, marked for</p> <p>17 identification, as of this date.)</p> <p>18 (Exhibit 7, Attachment to</p> <p>19 Exhibit 6, Bates DB Zuffa 00028783</p> <p>20 through 00028812, marked for</p> <p>21 identification, as of this date.)</p> <p>22 Q. You've been handed beans</p> <p>23 marked Exhibits 6 and 7. Exhibit 6</p> <p>24 is a single page e-mail DB Zuffa</p> <p>25 00028782. It is from</p>
<p style="text-align: right;">75</p> <p>1 GOLDMAN</p> <p>2 May 2, 2007, at 12:45 a.m. The</p> <p>3 subject line is "forward edits to</p> <p>4 exec summary."</p> <p>5 A. Um-hmm.</p> <p>6 Q. Does Exhibit 5 reflect the</p> <p>7 handwritten edits of Zuffa's CFO</p> <p>8 John Mulkey as they were sent to</p> <p>9 Deutsche Bank on May 2, 2007?</p> <p>10 A. I don't know John's</p> <p>11 handwriting so I assume those are</p> <p>12 his edits per what he wrote on</p> <p>13 Exhibit 4.</p> <p>14 Q. Is it fair to say that</p> <p>15 Exhibit 5 is edits provided by Zuffa</p> <p>16 to Deutsche Bank --</p> <p>17 A. Yes.</p> <p>18 Q. -- to the May 2007</p> <p>19 Confidential Information Memorandum?</p> <p>20 A. Yes.</p> <p>21 Q. If you could turn to the</p> <p>22 page of Exhibit 5, 33567.</p> <p>23 A. Yep.</p> <p>24 Q. In the break under the</p> <p>25 Zuffa business overview there's a</p>	<p style="text-align: right;">77</p> <p>1 GOLDMAN</p> <p>2 scanner@UFC.com dated Monday,</p> <p>3 May 21, 2007. It was sent to Eric</p> <p>4 Singer and Amish Barot. Subject</p> <p>5 line "more bank book edits."</p> <p>6 Exhibit 7 is the attachment to</p> <p>7 Exhibit 6. It begins DB Zuffa</p> <p>8 00028783 and it ends DB Zuffa</p> <p>9 00028812.</p> <p>10 Who is Eric Singer?</p> <p>11 A. He was a very junior banker</p> <p>12 on my team.</p> <p>13 Q. And he worked on the 2007</p> <p>14 loan for Zuffa?</p> <p>15 A. Yes.</p> <p>16 Q. Is it your understanding</p> <p>17 that Exhibit 7 are edits provided by</p> <p>18 Zuffa to the May 2007 CIM?</p> <p>19 A. Per the e-mail, yes.</p> <p>20 Q. If we can go to the page</p> <p>21 ending 28788 of Exhibit 7.</p> <p>22 A. Um-hmm.</p> <p>23 Q. This is the page referring</p> <p>24 to investment highlights with the</p> <p>25 column on the left being Highlights</p>

<p style="text-align: right;">114</p> <p>1 GOLDMAN</p> <p>2 and development"?</p> <p>3 A. I do.</p> <p>4 Q. Can you read the third</p> <p>5 sentence for me?</p> <p>6 A. Beginning with "Most</p> <p>7 contracts"? "Most contracts are two</p> <p>8 years in length."</p> <p>9 Q. I'm sorry, that's the</p> <p>10 fourth sentence. "UFC athlete</p> <p>11 contracts."</p> <p>12 A. "UFC athlete contracts is</p> <p>13 assigned to retain talent within the</p> <p>14 company."</p> <p>15 Q. In connection with the 2009</p> <p>16 loan did Deutsche Bank confirm --</p> <p>17 strike that.</p> <p>18 Does that sentence reflect the</p> <p>19 same information that Deutsche Bank</p> <p>20 had in 2007?</p> <p>21 A. The sentence is the same so</p> <p>22 yes.</p> <p>23 Q. Would Deutsche Bank have</p> <p>24 confirmed that it was still the case</p> <p>25 prior to including it in the</p>	<p style="text-align: right;">116</p> <p>1 GOLDMAN</p> <p>2 Q. And is the inclusion of</p> <p>3 that sentence to the extent it's the</p> <p>4 same as the sentence in the May 2007</p> <p>5 CIM, does it have the same purpose</p> <p>6 here?</p> <p>7 A. I don't know about the</p> <p>8 purpose but it's the same sentence</p> <p>9 so whatever the interpretation of</p> <p>10 the sentence is it's the same in</p> <p>11 this document.</p> <p>12 Q. And Zuffa did not ever tell</p> <p>13 Deutsche Bank that this sentence was</p> <p>14 inaccurate in the October 2009</p> <p>15 Confidential Information Memorandum?</p> <p>16 A. Unless you have some</p> <p>17 document that shows edits, no.</p> <p>18 Q. Can you read the next</p> <p>19 sentence?</p> <p>20 A. "Additionally, contracts</p> <p>21 typically give the UFC the right to</p> <p>22 release athletes after one or two</p> <p>23 fights on the basis of poor</p> <p>24 performance providing the company</p> <p>25 increased flexibility."</p>
<p style="text-align: right;">115</p> <p>1 GOLDMAN</p> <p>2 Confidential Information Memorandum?</p> <p>3 A. Honestly, probably not. It</p> <p>4 probably would have been duped and</p> <p>5 revised and just put in.</p> <p>6 Q. But Zuffa would have had</p> <p>7 the opportunity to change it if it</p> <p>8 had changed from their perspective?</p> <p>9 A. Yes.</p> <p>10 Q. Can you read the next</p> <p>11 sentence?</p> <p>12 A. "Most contracts are two</p> <p>13 years in length with an exclusivity</p> <p>14 clause that prevents fighters from</p> <p>15 moving to different MMA</p> <p>16 organizations while under contract</p> <p>17 and with negotiation and matching</p> <p>18 rights after the agreement expires."</p> <p>19 Q. What do you understand</p> <p>20 negotiation and matching rights to</p> <p>21 refer to?</p> <p>22 A. I don't know what</p> <p>23 negotiating rights are but matching</p> <p>24 rights obviously would be to match,</p> <p>25 you know, a competing offer.</p>	<p style="text-align: right;">117</p> <p>1 GOLDMAN</p> <p>2 Q. Did Zuffa tell Deutsche</p> <p>3 Bank that it generally had the right</p> <p>4 to release fighters after one or two</p> <p>5 losses on the basis of poor</p> <p>6 performance?</p> <p>7 A. They would have had to have</p> <p>8 because we wouldn't have known that</p> <p>9 otherwise. There might have been</p> <p>10 other reasons also for release,</p> <p>11 maybe, you know, poor health or an</p> <p>12 injury or something else. I</p> <p>13 don't -- I don't know. But this</p> <p>14 talks about poor performance.</p> <p>15 Q. Can you read the last</p> <p>16 sentence in that paragraph?</p> <p>17 A. "The UFC's complete control</p> <p>18 and ownership of its content also</p> <p>19 discourages competing organizations</p> <p>20 from soliciting UFC fighters by</p> <p>21 restricting their ability to market</p> <p>22 prior fights for promotional</p> <p>23 purposes."</p> <p>24 Q. Did Zuffa tell Deutsche</p> <p>25 Bank in 2009 that its complete</p>

<p>118</p> <p>1 GOLDMAN</p> <p>2 control and ownership of its content</p> <p>3 discourages competing organizations</p> <p>4 from soliciting their fighters?</p> <p>5 A. Once again, the fact that</p> <p>6 UFC owns and has full control and</p> <p>7 ownership of their contents could</p> <p>8 have led us to the interpretation</p> <p>9 that, you know, other organizations</p> <p>10 couldn't solicit their fighters. So</p> <p>11 if could have been that they had</p> <p>12 that in discussions. It could have</p> <p>13 been that they just provided us with</p> <p>14 material and we made the, you know,</p> <p>15 made the assumption.</p> <p>16 Q. So either Deutsche Bank or</p> <p>17 Zuffa made that conclusion?</p> <p>18 A. Correct.</p> <p>19 Q. And that's how it ended up</p> <p>20 in this document?</p> <p>21 A. Correct.</p> <p>22 Q. And Zuffa had the</p> <p>23 opportunity to edit it and did not?</p> <p>24 A. Correct.</p> <p>25 Q. Turn to the page ending</p>	<p>120</p> <p>1 GOLDMAN</p> <p>2 provided us data that showed that.</p> <p>3 Q. And Zuffa had the</p> <p>4 opportunity to edit this sentence</p> <p>5 and did not?</p> <p>6 A. That's correct.</p> <p>7 Q. Can you turn to the page</p> <p>8 ending 56943. Again, this is within</p> <p>9 the section titled Company Overview.</p> <p>10 The subsection is titled</p> <p>11 Competition. Can you read the first</p> <p>12 sentence?</p> <p>13 A. "To effectively compete</p> <p>14 with the UFC a competitor would need</p> <p>15 proper infrastructure, substantial</p> <p>16 content to market upcoming fights,</p> <p>17 effective television distribution, a</p> <p>18 deep lineup of marquis fighters and"</p> <p>19 an adequate -- "and adequate</p> <p>20 resources to satisfy the cost of a</p> <p>21 UFC level production."</p> <p>22 Q. Do you know whether that</p> <p>23 reflects information that Zuffa</p> <p>24 provided to Deutsche Bank in 2009?</p> <p>25 A. I can't -- I guess. I</p>
<p>119</p> <p>1 GOLDMAN</p> <p>2 56936.</p> <p>3 A. Um-hmm.</p> <p>4 Q. The last sentence on the</p> <p>5 page, can you read that?</p> <p>6 A. "This dramatic growth in</p> <p>7 pay per view by revenue."</p> <p>8 Q. The next sentence.</p> <p>9 A. Sorry. "Price increases</p> <p>10 have shown inelastic demand</p> <p>11 characteristics even during the</p> <p>12 economic slowdown."</p> <p>13 Q. What does that mean?</p> <p>14 A. That means that -- that</p> <p>15 UFC, because of the brand, has been</p> <p>16 able to increase the cost to</p> <p>17 consumers for their pay per view</p> <p>18 buys and that regardless of economic</p> <p>19 conditions, that they have been able</p> <p>20 to continue to increase pricing.</p> <p>21 Q. Did Zuffa tell Deutsche</p> <p>22 Bank in 2009 that it that raised pay</p> <p>23 per view prices without seeing</p> <p>24 reduced demand?</p> <p>25 A. Well, they would have</p>	<p>121</p> <p>1 GOLDMAN</p> <p>2 don't know. You know, Deutsche Bank</p> <p>3 may have made that statement based</p> <p>4 on all the information that we had</p> <p>5 so it's hard for me to say exactly</p> <p>6 where the statement generated from.</p> <p>7 Q. Can you read the first</p> <p>8 sentence of the second paragraph?</p> <p>9 A. "In order for a competing</p> <p>10 MMA organization to generate</p> <p>11 revenues comparable to the UFC, the</p> <p>12 organization must be willing to</p> <p>13 invest significant capital in order</p> <p>14 to build the distribution network</p> <p>15 required to promote and broadcast</p> <p>16 major events as well as create or</p> <p>17 acquire sufficient content to</p> <p>18 effectively market such events."</p> <p>19 Q. What's the source of that</p> <p>20 information?</p> <p>21 A. That would have been</p> <p>22 Deutsche Bank's, you know,</p> <p>23 discussions with the company, any</p> <p>24 materials it received and our own</p> <p>25 understanding, interpretation of</p>

<p style="text-align: right;">122</p> <p>1 GOLDMAN</p> <p>2 UFC, its brand and the business.</p> <p>3 Q. Can you read last sentence?</p> <p>4 A. "Further, the UFC" --</p> <p>5 sorry. "Any organization intent on</p> <p>6 building a promotion to directly</p> <p>7 arrival the UFC would likely be</p> <p>8 immediately challenged to build and</p> <p>9 maintain the infrastructure of</p> <p>10 employees and fighters on a</p> <p>11 profitable basis."</p> <p>12 Q. What is the source of that</p> <p>13 information?</p> <p>14 A. It could either be Deutsche</p> <p>15 Bank's interpretation given all the</p> <p>16 information that it had or could</p> <p>17 have been in conjunction with</p> <p>18 discussions with the company.</p> <p>19 Q. And was Zuffa provided the</p> <p>20 opportunity to edit this section</p> <p>21 prior to its finalization?</p> <p>22 A. Yes, they would have --</p> <p>23 they would have with the entire</p> <p>24 document in case you want to</p> <p>25 stipulate that.</p>	<p style="text-align: right;">124</p> <p>1 GOLDMAN</p> <p>2 your understanding that Exhibit 16,</p> <p>3 which is the attachment to that</p> <p>4 e-mail, contains comments from John</p> <p>5 Mulkey?</p> <p>6 A. Yes.</p> <p>7 Q. Exhibit 31, attachment to</p> <p>8 that e-mail is Bates numbers DB</p> <p>9 Zuffa 00056708. Exhibit 31.</p> <p>10 MS. GRIGSBY: Yeah. For the</p> <p>11 record you just said Exhibit 31.</p> <p>12 MR. MADDEN: I'm sorry.</p> <p>13 Q. Exhibit 16 is the</p> <p>14 attachment to that e-mail, Bates</p> <p>15 number DB Zuffa 00056708 and it ends</p> <p>16 DB Zuffa 00056714.</p> <p>17 Turning to the page ending</p> <p>18 56711, do you see where it says</p> <p>19 "Since its inception in 1997 PRIDE</p> <p>20 has held" --</p> <p>21 A. Sorry, what page is it?</p> <p>22 Q. Ending 56711.</p> <p>23 A. Um-hmm.</p> <p>24 Q. Do you see where it says,</p> <p>25 "Since its inception in 1997 PRIDE</p>
<p style="text-align: right;">123</p> <p>1 GOLDMAN</p> <p>2 MR. TOMBACK: As previously</p> <p>3 offered.</p> <p>4 THE WITNESS: Keep offering.</p> <p>5 A. Are we done with that one?</p> <p>6 Q. We are.</p> <p>7 (Exhibit 15, E-mail, Bates DB</p> <p>8 Zuffa 00056706 through Zuffa</p> <p>9 00056707, marked for</p> <p>10 identification, as of this date.)</p> <p>11 (Exhibit 16, Attachment to</p> <p>12 Exhibit 15, Bates DB Zuffa 00056708</p> <p>13 through 00056714, marked for</p> <p>14 identification, as of this date.)</p> <p>15 Q. You've been handed what's</p> <p>16 been marked Exhibits 15 and 16.</p> <p>17 Exhibit 15 is an e-mail with</p> <p>18 the Bates number DB Zuffa 00056706</p> <p>19 ending DB Zuffa 00056707. The top</p> <p>20 e-mail is from Ryan Corning to</p> <p>21 Ludwig Diaz, Joseph Devine, Amit</p> <p>22 Sripathi and Benjamin Schuri dated</p> <p>23 October 2, 2009. Subject line FW:</p> <p>24 FW:.</p> <p>25 Based on this e-mail is it</p>	<p style="text-align: right;">125</p> <p>1 GOLDMAN</p> <p>2 has held over 60 MMA events"? It's</p> <p>3 in the last bullet of the overview.</p> <p>4 A. Yes.</p> <p>5 Q. And do you see where the</p> <p>6 handwritten edits add that PRIDE was</p> <p>7 widely considered to be -- widely</p> <p>8 considered the second most</p> <p>9 recognized MMA brand worldwide when</p> <p>10 acquired?</p> <p>11 A. Yes.</p> <p>12 Q. Is it your understanding</p> <p>13 that that's Zuffa's statement?</p> <p>14 A. Yes.</p> <p>15 Q. On the page ending 56714</p> <p>16 under Investment Highlights. Do you</p> <p>17 see the highlight entry high</p> <p>18 barriers to entry -- the highlights</p> <p>19 box, high barriers to entry?</p> <p>20 A. Yes.</p> <p>21 Q. And Zuffa made edits to the</p> <p>22 rationale bullets; is that right?</p> <p>23 A. Yes.</p> <p>24 Q. What was the edit to the</p> <p>25 second bullet?</p>

<p style="text-align: right;">126</p> <p>1 GOLDMAN</p> <p>2 A. It read "Difficult to</p> <p>3 replicate domestic and international</p> <p>4 distribution model" and they removed</p> <p>5 "and international."</p> <p>6 Q. So now it says "Difficult</p> <p>7 to replicate domestic distribution</p> <p>8 model"?</p> <p>9 A. Correct.</p> <p>10 Q. What was the edit to the</p> <p>11 third bullet?</p> <p>12 A. "Vast majority of top</p> <p>13 fighters under long-term exclusive</p> <p>14 contracts." And it now reads "Vast</p> <p>15 majority of top fighters under multi</p> <p>16 fight exclusive contracts."</p> <p>17 Q. Can you read the edit to</p> <p>18 the fourth bullet?</p> <p>19 A. "UFC platform offers</p> <p>20 fighters superior opportunities to</p> <p>21 monetize their potential, insert in</p> <p>22 sponsorship and licensing</p> <p>23 royalties."</p> <p>24 Q. And it's your understanding</p> <p>25 that each of those edits was made by</p>	<p style="text-align: right;">128</p> <p>1 GOLDMAN</p> <p>2 Exhibit 18 is the handwritten edits</p> <p>3 of Zuffa to the October 9th -- or</p> <p>4 the October 2009 Confidential</p> <p>5 Information Memorandum?</p> <p>6 A. Yes.</p> <p>7 Q. Turning to the page ending</p> <p>8 43116. These are Zuffa's -- in</p> <p>9 reviewing this page are these</p> <p>10 Zuffa's edits to the section on high</p> <p>11 barriers to entry?</p> <p>12 A. Yes.</p> <p>13 Q. Can you read the</p> <p>14 handwritten paragraph at the very</p> <p>15 bottom of the page?</p> <p>16 A. "The company believes that</p> <p>17 the recognition of the UFC brand</p> <p>18 name is in many ways synonymous with</p> <p>19 the sport of MMA largely because of</p> <p>20 the first mover advantage. Such</p> <p>21 advantage, coupled with strategic</p> <p>22 business decisions during Zuffa" --</p> <p>23 Q. I think that says</p> <p>24 ownership?</p> <p>25 A. -- "ownership," thank you,</p>
<p style="text-align: right;">127</p> <p>1 GOLDMAN</p> <p>2 Zuffa?</p> <p>3 A. Yes.</p> <p>4 Q. You can put that aside.</p> <p>5 (Exhibit 17, E-mail, Bates DB</p> <p>6 Zuffa 00043106, marked for</p> <p>7 identification, as of this date.)</p> <p>8 (Exhibit 18, Zuffa edits</p> <p>9 October 2009 Confidential</p> <p>10 Information Memorandum, Bates DB</p> <p>11 Zuffa 00043107 ending DB Zuffa</p> <p>12 00043126, marked for</p> <p>13 identification, as of this date.)</p> <p>14 Q. You've been handed what's</p> <p>15 been marked Exhibit 17 and 18.</p> <p>16 Exhibit 17 is a one-page e-mail</p> <p>17 Bates numbered DB Zuffa 00043106.</p> <p>18 It is an e-mail from John Mulkey to</p> <p>19 Amit Sripathi, Ryan Corning,</p> <p>20 Benjamin Schuri and Ludwig Diaz.</p> <p>21 The subject line is set of edits.</p> <p>22 And the attachment is a</p> <p>23 document Bates numbered DB Zuffa</p> <p>24 00043107 ending DB Zuffa 00043126.</p> <p>25 Is it your understanding that</p>	<p style="text-align: right;">129</p> <p>1 GOLDMAN</p> <p>2 "have resulted in a market" pressure</p> <p>3 maybe --</p> <p>4 Q. Presence.</p> <p>5 A. -- "presence that the</p> <p>6 company believes would be very</p> <p>7 difficult to recreate."</p> <p>8 Q. Is it your understanding</p> <p>9 that that is Zuffa's statement?</p> <p>10 A. Yes.</p> <p>11 Q. You can put that aside.</p> <p>12 (Exhibit 19, E-mail, Bates DB</p> <p>13 Zuffa 00043566, marked for</p> <p>14 identification, as of this date.)</p> <p>15 (Exhibit 20, Attachment to</p> <p>16 Exhibit 9, Bates DB Zuffa 00043567</p> <p>17 through 00043576, marked for</p> <p>18 identification, as of this date.)</p> <p>19 Q. You've been handed what's</p> <p>20 been marked Exhibits 19 and 20.</p> <p>21 Exhibit 19 is a one-page e-mail from</p> <p>22 John Mulkey to Ludwig Diaz, Benjamin</p> <p>23 Schuri, Amit Sripathi, Ryan Corning,</p> <p>24 and it's dated Sunday, October 4th,</p> <p>25 2009, at 8:16 p.m. The subject line</p>